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Governor Gregoire Announces Energy Freedom Loan Awards

\$6.75 million in low-interest loans awarded to Washington bioenergy projects

OLYMPIA – Governor Chris Gregoire today announced that seven bioenergy projects in Washington would receive a total of \$6.75 million in low-interest loans through the state's Energy Freedom Loan program. Successful applicants have shown an ability to reduce dependence on imported energy sources and promote environmental quality. The selected projects demonstrated long-term financial viability, job creation and benefits to the economy.

"These Energy Freedom Loans will help reduce our dependence on foreign oil and protect the environmental quality of the Evergreen State," said Governor Gregoire. "The progress we are making on bioenergy in Washington is a result of bipartisan agreement in the Legislature and the growing support of our citizens. As a matter of national security, we cannot continue to rely so heavily on imported petroleum. These loans will help reduce that dependence, help to create jobs in rural communities and support farming families."

The following two projects received the highest scores on their evaluations and will be awarded the full requested amount. Both are anaerobic digesters that convert livestock waste into methane fuel:

- Port of Sunnyside, Dairy Anaerobic Digester -- \$1,972,715
- Tulalip Tribes, Qualco Dairy Digester -- \$1,500,266

The following five projects will be awarded loans according to their evaluation scores. All are associated with biodiesel production:

- Spokane County Conservation District, Palouse-Bio, LLC Biodiesel Processing Facility – \$853,871
- Odessa Public Development Authority, Inland Empire Oilseeds Biodiesel Facility – \$848,102
- Port of Whitman County, Integrated Seed Processing and Biodiesel Production – \$778,869
- Port of Warden, Integrated Seed Processing and Biodiesel Production – \$415,397
- Port of Warden, Biodiesel/Glycerin Production Project – \$380,780

In addition to the loans awarded in the competitive application process, the Legislature earmarked \$10.25 million in non-competitive loans to five specific public entities:

- Port of Warden – \$2.5 million
- Odessa Public Development Authority – \$2.5 million
- Port of Columbia County – \$2.5 million
- Spokane Conservation District – \$2 million
- Port of Sunnyside – \$750,000

The evaluation panel for the competitive loan program included bioenergy, economic development and contracts specialists from Washington departments of Agriculture, Community, Trade & Economic Development and Ecology, Washington State University, the U.S. Department of Agriculture and a private, non-profit economic development organization.

“I am heartened by the strong interest in the loan program for the bioenergy industry and appreciative of the work the Washington department of Agriculture has done to implement the program,” said Governor Gregoire.

The Washington Legislature in 2006 established the Energy Freedom Loan program. The low-interest loans are available to local governments, ports and other public entities and are intended to leverage additional private financing. Matching funds are required to cover at least one-half of the project’s total cost. Local public entities may collaborate with private companies to develop the energy production facilities. The Energy Freedom Loans have a 10-year term with a one-percent annual percentage rate.

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